

H.572

An act relating to the retirement allowance for interim educators

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 16 V.S.A. § 1939 is amended to read:

§ 1939. RESTORATION TO SERVICE

(a) In any fiscal year in which a beneficiary resumes service, as that term is defined in section 1931 of this title, ~~he or she~~ the beneficiary shall again become a member of the System, shall contribute at the rate established for members of ~~his or her~~ the beneficiary's group, and shall not be entitled to receive a retirement allowance, if ~~he or she~~ the beneficiary is:

(1) compensated in excess of the allowable number of days per school year as established by the Board for substitute teaching; or

(2) receives compensation in excess of 60 percent of the average compensation in the teacher System.

(b) If a person once again becomes a member under subsection (a) of this section, membership shall be retroactive to the beginning of the fiscal year in which the person resumed service and the member shall not be entitled to any retirement allowance received during that fiscal year. If the person received a retirement allowance during the fiscal year in which he or she resumed service, upon subsequent retirement the Board shall suspend his or her retirement allowance for a period necessary to reimburse the System for the total

retirement allowance received during the period in which the beneficiary resumed service and became a member.

(c) Upon subsequent retirement of a person who once again becomes a member under subsection (a) of this section, the beneficiary's former retirement allowance shall be restored, but the beneficiary shall not be entitled to cost of living adjustments for the period during which he or she was restored to service. In addition to the former retirement allowance, a beneficiary shall be entitled to a retirement allowance separately computed for the period beginning with his or her last restoration to service for which the member has made a contribution.

(d)(1) Notwithstanding any other provision of law, in any fiscal year, a beneficiary who retired from the System as a Group A or a Group C member may resume service under subsection (a) of this section to serve as an interim school educator for a period not to exceed one school year and receive the beneficiary's retirement allowance for the entire period that service is resumed, provided that:

(A) the beneficiary has received a retirement allowance for six months or more prior to resuming service;

(B) the beneficiary maintains or obtains an active educator's license in the area in which the beneficiary will serve as an interim educator;

(C) the beneficiary makes contributions at the rate established for members of the beneficiary's group for the entire period that service is resumed;

(D) the source of funding for the employer's contributions for the beneficiary for the entire period that service is resumed is consistent with how contributions are paid for new members in the beneficiary's group as of the date service is resumed; and

(E) the employer of the beneficiary makes payments into the Retired Teachers' Health and Medical Benefits Fund, established in section 1944b of this title, for the entire period that service is resumed in a manner consistent with how those payments are made for new members in the beneficiary's group as of the date service is resumed.

(2) Upon subsequent retirement of a person who once again becomes a member under subdivision (1) of this subsection, the beneficiary shall not be entitled to a retirement allowance separately computed for the period that service was resumed.

(e)(1) Annually, on or before July 15 each year, each superintendent shall submit to the Agency of Education a report on the number of beneficiaries of the System who have resumed service pursuant to subsection (d) of this section.

(2) On or before August 15 each year, the Secretary of Education shall compile the data received by each superintendent pursuant to subdivision (1) of this subsection and submit a report to the Joint Pension Oversight Committee.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2022.